want to say that the ideal situation is really when the Sri Lankan authorities and the Tamil organisations talk to each other directly. But since they don't do that, we have offered our good offices in order to enable them ultimately to meet each other to reduce the gulf between the two parties and to come to a political settlement. As regards when the violence will cease, I cannot predict. But I can say this that it is not in the interest of the Sri Lankan Government to continue this sort of indiscriminate violence. It is against their interests. And secondly...

MR. CHAIRMAN: Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS

Taking over of M|s. Metcoke Pvt. Ltd. by the West Bengal Finance Corporation

*262. SHRI NATHA SINGH: Will the PRIME MINISTER be pleased to state:

(a) whether Government's attention has drawn to a news item which appeared in the Business Standard, Calcutta of 22nd November, 1985 that a running small scale industry M|s Metcoke Pvt. Ltd. Calcutta functioning on the know-how supplied by the National Research and Development Corporation was taken over by the West Bengal Finance Corporation;

(b) if so, what are the details in this regard and what action the Central Government had taken to restore the company to the management;

(c) whether the West Bengal Finance Corporation suppressed the fact about their taking over the unit while communicating to the Central Government about their action in respect of the unit;

(d) if so, what action was taken in this regard; and

(c) whether the West Bengal Finance rations which were created under the Central law have been given powers to take over running units?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND IN THE DEPARTMENT OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI SHIVRAJ PATIL): (a) Yes, Sir.

(b) The Department of Scientific and Industrial Research of the Government of India (DSIR), and the National Research Development Corporation (NRDC) a public sector corporation of the DSIR, have given substantial support of M|s Metcoke Pvt. Ltd., Calcutta consistently over an extended period. When the promoters of the M|s Metcoke Pvt. Ltd. were found in late 1979 to be facing difficulties in realising products of acceptable quality and in running the plant at its rated capacity, NRDC brought in a reputed consultancy company to review the project and identify measures for solving its problems. Based on the recommendations of that consultant, NRDC then sancioned the company with a developmental loan of Rs. 3.7 lakhs in January, 1980. Then, in January 1985, NRDC set off the repayment of the principal of that loan and the interest thereon against technical services to be provided by M|s Metcoke to subsequent licensees of NRDC then sanctioned the company with September. 1985 a high level meeting was convened by DSIR with IDBI, IRBI, West Bengal Finance Corporation, United Bank of India and SAIL. This meeting established the soundness of the technology as practiced by M|s Metcoke and the conformity of the quality of the smokeless fuel produced by the plant to the requisite technical and user standards. However, due to the large outstandings of around Rs. 91 lakhs by way of loans from public financial institutions and banks and interest thereon, and their strong reservations about the managerial competence of the promoter directors, the financial institutions have not been willing to provide the additional funds of around Rs. 25 lakhs sought by the promoter directors to rehabilitate the company.

(c) No, Sir.

(d) Does not arise.

(e) Yes, Sir.